

CONFIDENTIAL

May 8, 1953

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Dear Sir:

This letter will serve to clarify our position with respect to the request for additional funds specified in our letter no. 6940 of February 16, 1953. That letter requested an additional \$24,000 for completion of item III of Task Order 1, Contract RD-35. We understand that this item of expense has been approved and that the funds will be allocated to the contract.

With regard to the additional 2000 hours of engineering time which were asked for in our letter of February 16, it is estimated that an additional 800 hours of time will be required to complete the development of Model 2 of the Recorder 3803. The original recorder would be much more expensive to manufacture than the new design. The new design provides for a more positive take-up of the tape, and eliminates a differential gear assembly which was excessively complex and which would probably prove difficult to maintain under field conditions.

An additional 1200 hours is requested for redesign work on the Time Generator 3802. The new design provides for a simplified mechanical system, accomplishes switching thru electrical rather than mechanical means, and provides time signals every second. These signals will be extremely useful in making time variation measurements. This model again will provide for a device which is more economical to manufacture, eliminating expensive cam machine work.

We request that Task Order #1 of the contract be amended to provide an additional 2000 hours of engineering at a cost of \$11,640.

Very truly yours,

ORIGINAL CL BY 235979
☐ DECL ☒ REVW ON 2010
 EXT BYND 6 YRS BY Same
 REAS 3d (3)

JLM/PJF/far

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JUST <u>22</u>	NEXT REV <u>2010</u>	AUTH: HR 10-2

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Breakdown of Cost of
Additional Hours Requested

2,000 hours direct engineering @ \$4.00/hour average	\$ 8,000
Laboratory overhead @ \$1.00/hour	2,000
Admin. overhead 16.40% of above items	<u>1,640</u>
	\$11,640

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PROCUREMENT

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CONTRACTS

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RECEIVED